

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. 911-031
on its own motion, to establish)
surcharges assessed on users of)
prepaid wireless service and,) ORDER OPENING DOCKET AND
methods for the collection and) ESTABLISHING SURCHARGES AND
remittance of surcharges from) METHODS OF COLLECTION AND
carriers offering prepaid) REMITTANCE
wireless services.)
)
) Entered: June 19, 2007

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

The Nebraska Public Service Commission (Commission) hereby opens this proceeding, on its own motion, to establish surcharges assessed on users of prepaid wireless service and methods for the collection and remittance of surcharges from carriers offering prepaid wireless services as required by the Enhanced Wireless 911 Services Act, Neb. Rev. Stat. § 86-441, et seq. (Cum. Supp. 2006), as amended by Nebraska Laws LB 661 [2007] (the Act).

"It is the intent of the Legislature that, effective July 1, 2007, all users of prepaid wireless services pay an amount comparable to the amount paid by users of wireless services that are not prepaid in support of statewide wireless enhanced 911 service. It is also the intent of the Legislature that whenever possible, such amounts be collected from the users of such prepaid wireless services."¹

In order to accomplish this legislative intent, "the Commission shall establish surcharges comparable to the surcharge assessed on other users of wireless services and shall develop methods for collection and remittance of such surcharges from wireless carriers offering prepaid wireless services."²

Prior to the passage of LB 661, prepaid wireless carriers were required, effective on July 1, 2007, to "remit a surcharge from each prepaid customer in the amount established in subsection (1) of [86-457]." Prepaid wireless carriers were permitted to use one of the following three (3) methods:

¹ Neb. Rev. Stat. § 86-457(4).

² Neb. Rev. Stat. § 86-457(5).

- a) The wireless carrier shall divide the total earned prepaid wireless telephone revenue received by the wireless carrier within the monthly reporting period by fifty dollars and multiply the quotient by the surcharge amount;
- b) The wireless carrier shall collect on a monthly basis the surcharge from each customer's active, prepaid account. A customer with two or more active, prepaid accounts shall be assessed a separate surcharge for each active, prepaid account; or
- c) A wireless carrier shall remit the surcharge upon the activation of the active prepaid account and upon each replenishment of additional minutes purchased by the prepaid customer.

The Commission finds that the three methods, previously available to prepaid wireless carriers should continue to be available for use. The Commission further finds that all wireless carriers offering prepaid wireless services shall notify the Commission in writing, if they intend to utilize one of the three methods, as to which of the three methods it will utilize for the collection and remittance of the enhanced wireless 911 surcharge. Such notification shall be made **no later than September 1, 2007** or at the time the wireless carrier remits payment of any surcharges attributable to prepaid wireless service, whichever is sooner. Once the election is made, no wireless carrier shall utilize a different method for the collection and remittance of surcharges attributable to prepaid wireless service without prior Commission approval.

The Commission further recognizes that differences between various prepaid wireless carriers may require additional methods be made available. Therefore, any prepaid wireless carrier wishing to utilize a method different than the three adopted herein, shall file with the Commission for approval a detailed description of the method it wishes to use. Such filing shall be made no later than **September 1, 2007** or at the time the wireless carrier remits payment of any surcharges attributable to prepaid wireless service, whichever is sooner.

All surcharges attributable to prepaid wireless service shall be subject to the same audit and reporting requirements as all other surcharge revenue.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned docket be and it is hereby opened.

IT IS FURTHER ORDERED that the three (3) methods for the collection and remittance of the enhanced wireless 911 surcharge from users of prepaid wireless services shall continue to be available for use by all wireless carriers offering prepaid wireless service, subject to the terms and conditions set forth herein.

IT IS FURTHER ORDERED that all wireless carriers offering prepaid wireless services shall notify the Commission in writing, if they are utilizing one of the three (3) methods, as to which of the three methods it will utilize for the collection and remittance of the enhanced wireless 911 surcharge. Such notification shall be made no later than **September 1, 2007** or at the time the wireless carrier remits payment of any surcharges attributable to prepaid wireless service, whichever is sooner.

IT IS FURTHER ORDERED that any prepaid wireless carrier wishing to utilize a method different than the three adopted herein, shall file with the Commission for approval a detailed description of the method it wishes to use. Such filing shall be made no later than **September 1, 2007**.

IT IS FINALLY ORDERED that surcharges attributable to prepaid wireless service and wireless carriers offering said service will be subject to the same audit and reporting requirements as all other surcharge revenue.

MADE AND ENTERED at Lincoln, Nebraska this 19th day of June, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director